



KUNSTSTOFFE INDUSTRIES LIMITED

CIN. L65910MH 1985PLC037998

Mfrs. of : Spiral HDPE/PP Pipes, Tanks & Chemical Vessels

Regd. Office : Kiran Building 128, Bhaudaji Road, Matunga (E), Mumbai - 400 019.

Tel : 022-2408 2689 / 90 ♦ www.kunststoffeindia.com ★ Email : kunststoffe@kunststoffeindia.com

REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS

1. REGULATORY PROVISIONS:

In terms of the requirement stated under Companies Act, 2013 read with applicable rules and Regulation 17(6) of SEBI Listing (Obligation and Disclosure Requirements), Regulations, 2015, Kunststoffe Industries Limited ("the Company") has formulated a policy document namely "Remuneration Policy for Non- Executive Directors" which will deal with the remuneration of the Non- Executive Directors.

Section 197 of the Companies Act, 2013 and Regulation 17(6) (b) require the prior approval of shareholders of the Company if it exceeds the prescribed limits under the Act for making payment to its Non- Executive Directors.

2. HEADS UNDER WHICH PAYMENTS CAN BE MADE:

Any fee/remuneration payable to the Non - Executive Directors of the Company shall be in following manner;

i. **Sitting Fee:**

Non- Executive Director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, Listing Regulation or other applicable law or for any other purpose whatsoever as may be decided by the Board.

The Board has the flexibility to enhance the sitting fees upto the maximum limit allowed by the Companies Act, 2013 and Rules there under.

ii. **Remuneration and Commission:**

Under the Companies Act, 2013, Section 197, the remuneration payable to directors who are neither managing directors nor whole-time directors shall not exceed, except with the approval of members through special resolution in general meeting;



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- One percent of the net profits of the Company, if there is a managing or whole time director or manager;
- Three percent of net profits in any other case

Further, if in any financial year company has no profits or its profits are inadequate, the company shall pay to its directors, including any managing or whole-time director or manager or any other non executive director, including an independent director by way of remuneration any sum exclusive of sitting fees except in accordance with the provisions of Schedule V.

The Company is however not obligated to remunerate its Non-Executive Director(s).

Additional commission, apart from remuneration referred above, may be paid to Non-Executive Directors as may be decided by the Board of Directors of the Company from time to time, depending on the extra time and effort as may be devoted and contribution as may be made by the Non-Executive Directors.

iii. Reimbursement of actual expenses incurred:

Non- Executive Director(s) may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such Directors for attending Board/Committee Meetings.

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of Non- Executive Director(s).
